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British See '78 Decisive Year in Southern Africa

By R. W. Apple Jr.

LONDON, Jan. 23 (NYT).—The belief that this will be the year of decision in southern Africa has taken hold at the highest levels of the British government. Senior ministers have concluded that, for better or worse, arrangements for the transfer of power to black government in Rhodesia and South-West Africa (Namibia) are likely to be completed well before the end of the year, ending more than a decade of dispute and delay.

But there is uncertainty as to whether the arrangements will be made internally—that is, between the present white rulers of the two countries and the conservative black politicians operating within their borders—or internationally, with the participation of the more radical blacks who operate from nearby countries.

On that question hang a series of others: What sort of governments will Rhodesia and South-West Africa have? Will the West be seen as the friend or the foe of black self-determination? Will southern Africa become the stage for a long-term, East-West conflict? And what of South Africa?

Black Rule Predicted in Rhodesia, S.-W. Africa

Britain is at the center of the West's struggle to contain the passions of southern Africa. Southern Africa is probably the last critical foreign-policy area in which Britain, arguably the world's major power 50 years ago, has a key role.

Despite tensions in recent months between British and U.S. policy planners, the two nations appear to be in broad agreement as a new, critical phase in southern Africa begins. Discussions here this month between Richard Moore, the State Department's top Africa expert, and David Owen, the British foreign secretary, are reported to have left no major areas of disagreement.

The following is an account, based on conversations with Britain's most intimately involved with Africa policy, of the most likely course of events in the next three to four months.

South-West Africa Is Key

To the considerable surprise of policy-makers here, South-West Africa suddenly looks like the key. For the last year, the five Western members of the UN Security Council have been applying pressure on South

Africa to agree to conditions for free elections there, and the South Africans, as an official said, "have given us quite a lot."

They have been unwilling, however, to back off from their insistence on having South African troops present during the elections. Analysts here and in Washington believe that Prime Minister John Vorster is about to opt for an internal settlement, in which elections would be carried out without the cooperation of the South-West Africa People's Organization, the dominant black liberation group.

For the government of Prime Minister James Callaghan, and for the United States, that is unacceptable. Such elections would present the West with difficult recognition problems; they might lead to guerrilla operations within a black-ruled South-West Africa, with or without Cuban or Soviet backing; and they would almost certainly alienate the black governments in such countries as Nigeria and Zambia.

The British, nonetheless, believe that with the recent adoption of a mandatory UN arms embargo against South Africa, Pretoria has been pushed about as far as it should be, at least for the moment. There are three main reasons for that view:

The fear that Mr. Vorster will seek an internal settlement not only in South-West Africa but also in Rhodesia, where he has great influence.

The belief that further sanctions against South Africa would be floated by many Western countries as were the sanctions against Rhodesia in the late 1960s.

The belief that there would be pressure from British business interests, as well as the Treasury and Trade Ministry officials in Whitehall, who want to safeguard Britain's enormous export trade with South Africa, which totaled \$13 billion last year, as well as its \$600 million investment there.

Role of SWAPO

So the British plan to lean as hard as they can, in coming weeks, on the South-West Africa People's Organization. A high-ranking figure in the government said recently that "the whole outcome in southern

Africa may depend on whether we can deliver SWAPO for an international settlement."

From the British and U.S. standpoint, the effect that an internal settlement in South-West Africa would have on Rhodesia is worrisome. The South African legislature is to debate its policy on South-West Africa on Friday and Mr. Vorster may decide on an internal solution then.

If the South Africans won even grudging international acceptance for elections in South-West Africa in which SWAPO did not participate, African experts here believe, the Vorster government would have every reason to support the efforts by Rhodesian Prime Minister Ian Smith to take the same route in his country. Until now, South Africa has been tacitly supporting the British U.S. proposals on Rhodesia, which envision the participation in a future black government of the Patriotic Front and its "freedom fighters" outside Rhodesia.

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Baron Empain Heads \$4.5-Billion Group

Belgian Industrialist Is Kidnapped in Paris

PARIS, Jan. 23 (AP).—Baron Edouard-Jean Empain, the Belgian president of one of Europe's most powerful industrial empires, was kidnapped today near his Paris home.

No ransom demand has been received and police did not know the motive for the kidnapping as criminal or political, an Interior Ministry spokesman said. The baron is a member of the executive of the Patronat, the French employers' association.

\$4.5-Billion Turnover

Baron Empain, 40, is the president and managing director of the France-Belgian Empain-Chimie industrial group of 50 companies with 120,000 employees throughout the world. His group has an annual turnover of about \$4.5 billion.

It is France's only nuclear power plant manufacturer, building U.S. Westinghouse plants under license, and has large steel, shipping, banking and machinery production interests. It is a major shareholder in the U.S. company Phoenix Steel and is believed to have large North American holdings.

Police said that four or five men carried out the minutely organized kidnapping, using two small trucks and a man on a bicycle.

One of the trucks was deliberately parked out from the curb, few yards away from the entrance to Baron Empain's apartment building, on a small road parallel to the Avenue Foch.

The baron's chauffeur maneuvered around the truck, shortly after 1 a.m., the noped rider struck a fall, forcing the car to stop. Masked, armed men emerged from the trucks and the noped rider also pulled a revolver, the chauffeur told police. The chauffeur was beaten,

dragged from the car and thrown into the truck. Three or four kidnappers piled into Baron Empain's car and roared off with the industrialist, police said.

Covered Their Escape

The kidnappers had covered their escape by forcing the driver of a car parked nearby to give up his car at gunpoint.

The baron's chauffeur was released a few minutes later less than a mile away and informed the police, who already had been alerted to the attack by a witness. Police "Zakr" found the trucks, which had been stolen.

At the company headquarters, no police were visible, but company security guards were checked.

Insurgents Said to Gain 2 Towns

Somalia Claims Ethiopia Failing in Drive to Regain Ogaden

NAIROBI, Jan. 23 (UPI).—Somalia declared today that Soviet-backed Ethiopian forces failed in a long-awaited offensive to recapture the embattled Ogaden region.

The Mogadishu radio reported that the Ethiopian drive began yesterday with an assault by ground troops, artillery and planes. The attack apparently was centered on Somali positions east of the ancient walled fortress of Harer, 400 kilometers from Addis Ababa. The broadcast said that Somali-backed insurgents "repulsed the enemy," capturing two key towns, Babbie Gap and Fiyampro, which are on the main highway east of Harer.

The statement said that fighting was continuing in Harer, which was being bombed by Ethiopian planes. "The bombs hit civilian targets, killing many innocent people," the report said. Ethiopian radio broadcasts said that Somali-backed troops had been pushed from a small town in southern Sidamo Province, but made no mention of heavy fighting in Harer.

The report today was the first of heavy fighting in the Ogaden since last month, when Somali forces failed to capture Harer and were driven back by Soviet-equipped Ethiopian troops. Since the fighting began in July, the Ethiopians have lost all of their strongholds in the four southern provinces that comprise the Ogaden except Harer and Dire Dawa.

There have been signs, however, that the Carter administration, in particular, would not be displeased if some countries were

able to supply limited amounts of arms to Somalis. There have been unofficial reports that Iran and Saudi Arabia—anti-Soviet Moslem countries, like Somalia—have been supplied arms.

U.S. Material

Both those countries are equipped with vast amounts of U.S. weapons and supplies. Somalia long was allied with the Soviet Union before its conflict with Ethiopia, so the Somali forces are used to handling Soviet weapons.

The first reports of the Somali-Egyptian arrangement appeared in the conservative newspaper *Die Welt* during the weekend. Well-placed West German government officials said privately that those reports were reliable, al-

though they sharply disputed that Bonn had anything to do with it.

The situation creates a foreign policy dilemma for Bonn, whose influence in several world trouble spots has remained steady because of a generally even-handed policy.

For example, West Germany remains grateful to the Somalia government of President Mahamed Siad Barre for allowing West German commands to land in the Somali airport at Mogadishu last October and rescue passengers from a hijacked Lufthansa airplane.

Soon after, Bonn increased its aid to Somalia for this year from about \$12 million to almost \$30 million, but said publicly that

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it will liberate the remaining parts of the Ogaden," the report said.

Fighting in Harer

"The WLF forces repulsed the enemy forces and drove them back. After the fighting continued for some time, WLF troops advanced to Babbie and Fiyampro in Harer region and fighting is now going on inside Harer, capital of the region. WLF said it is confident that

it will liberate the remaining parts of the Ogaden," the report said.

Babbi Gap and Fiyampro are on the main road between Harer in the west and the former Ethiopian tank base of Jijiga, which the Somalis captured in September after weeks of furious fighting. After taking Jijiga, Somali forces advanced rapidly to reach Babbi Gap, apparently the point of furthest penetration of Somali troops.

Despite his reply to what he called Egyptian "insults" and unending demands by President Sadat, Mr. Begin's 70-minute speech was moderate.

He omitted a warning that appearing in a prepared outline of his address which said that Israel would boycott peace talks if Egypt continued to use "obnoxious language."

Instead, he put the idea in positive terms, saying, "But if we see in the next few days that there are no more insults, there will be no obstacle to our defense minister to return to Cairo."

The delegation traveling to the United States will reportedly be joined by Boutros Ghali, a minister of state for foreign affairs, and Ismail Abdul Meguid, the ambassador to the United Nations.

It was announced today that Ambassador Meguid would go to New York in a few days. He is expected to carry his lobbying mission to the United Nations.

No date for the other delegations has been announced, but several sources thought that they might be within a week.

Mr. Kamel, Mr. Ghali and Mr. Meguid were members of Egypt's delegation to the Jerusalem talks. Their assignments to new tasks indicated that Egypt does not expect the political committee to resume work soon.

Israel Refusal

Israel has also declined to return to the military talks in Cairo, which were discussing Israel's withdrawal from the Sinai

To Back Mideast Stance

Egypt Is Launching Diplomatic Offensive

By Christopher S. Wroe

CAIRO, Jan. 23 (NYT).—Egypt

is preparing to launch a diplomatic offensive on three continents to rally international support for its case following the breakdown last week of the political talks with Israel in Jerusalem.

The campaign, which was reported in the Egyptian press and confirmed by diplomatic sources today, appears to be the next phase in the peace policy of President Anwar Sadat and will enlist some of his closest associates. In a major speech two days ago, Mr. Sadat declared that it was up to the world to help carry through the initiative that he launched by going to Israel in November.

The implicit purpose of the campaign is to isolate Israel by undercutting its backing abroad, particularly in the United States and Western Europe, and to appeal for concrete assistance in Mr. Sadat's effort to reach a comprehensive peace settlement that would include an Israeli withdrawal from occupied Arab land and an acceptance of the right of the Palestinians to self-determination.

Key U.S. Role

Egyptian officials are also still looking to the Americans, and particularly Alfred Atherton, Jr., the assistant secretary of state for Near East and South Asia affairs, to mend the rift resulting when Egypt walked out of the Jerusalem talks last Wednesday. Mr. Atherton has been trying to reconcile the two sides.

As Egypt's diplomatic campaign was outlined today by the pro-government newspaper *Al-Ahbar* and informed Cairo sources, Sayed Marel, the speaker of the People's Assembly and a close friend of Mr. Sadat, will lead a delegation to the United States to meet with President Carter and Congress and remind them of their responsibilities at this stage.

Foreign Minister Mohammed Ibrahim Kamel will go with a delegation to West Germany, France, Britain and probably some other Western European countries. Mr. Kamel, who was previously Cairo's ambassador to Bonn, is expected to seek meetings with West German Chancellor Helmut Schmidt, French President Valery Giscard d'Estaing and British Prime Minister James Callaghan.

African, Arab Visits

Vice-President Hosni Mubarak will carry messages from Mr. Sadat to the leaders of a number of Arab and African countries explaining Cairo's view of the stalemate and its plans. It was thought unlikely that he would visit any of the Arab states that opposed Mr. Sadat's initiative.

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Peninsula and related security guarantees. It was assumed here that, while the political talks are dead, the parallel military talks might be resumed to maintain working contacts between Israel and Egypt.

Mr. Sadat justified his decision to recall his delegation from Jerusalem by charging last Saturday that the Israelis were intentionally dragging out the talks and taking advantage of his willingness to recognize their

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Defends Policy in Knesset

Begin Says New Talks Await Eased Cairo Tone

JERUSALEM, Jan. 23 (AP).—Prime Minister Menachem Begin said today that Israel was ready to resume peace negotiations with Egypt as soon as Cairo softened what he described as a strident and anti-Semitic tone.

Defending his policies before the Knesset (parliament), Mr. Begin charged that Egypt had created an atmosphere in which negotiations were impossible.

He also said that Israel and Egypt had agreed last week on the Palestinian clause of a statement of principles that was the first target of the Jerusalem talks.

The paper said that the clause

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Caramanlis Accepts Offer To See Ecevit

ATHENS, Jan. 23 (AP).—Greek Premier Constantine Caramanlis sent a message to Turkish Premier Bulent Ecevit today accepting his offer to meet and discuss disputes between the two neighboring countries.

Mr. Caramanlis suggested that the meeting should be held in the spring so that preparations can be made to assure success, rather than risk failure through haste.

The message to Mr. Ecevit, as distributed to the press, said:

"There is no doubt that a personal meeting between us might prove useful. However, in order to be useful, as we both want it to be, it must be adequately prepared. Otherwise, the frustration of the expectations which would have been created may render the promotion of solutions more difficult than facilitate them."

"In my opinion, our meeting could take place in the next spring and after the contacts and meetings that are foreseen have taken place."

The message was in reply to the Turkish Premier's invitation for a meeting to discuss long-standing disputes between the two NATO member countries over Cyprus and claims to the Aegean Sea continental shelf and airspace.

Mr. Ecevit had said that he would leave the timing of the meeting up to Mr. Caramanlis.

More Charges Expected

Ex-Butler Is Accused of Theft
In U.K. Case Tied to 5 Murders

EDINBURGH, Jan. 23 (UPI)—Police charged former butler Archibald Hall with theft today in a murder case that left five bodies scattered across Scotland.

His lawyer said he expected Mr. Hall would be charged with other counts "fairly soon." Mr. Hall, 63, was charged with the theft of £6 Edward I silver pennies from the London home of his slain boss, former MP Walter Scott-Elliott, 82, a former member of Parliament.

Mr. Hall was arrested last week as police worked to discover the final link in a murder mystery that began Christmas Day.

Yesterday, they found the body of a woman thought to be Mr. Scott-Elliott's 60-year-old wife Dorothy near a road 58 miles northwest of Edinburgh. They

believe she is the last victim in the case.

Her husband's body was found Wednesday near Inverness, 130 miles northwest of Edinburgh.

Police broke into Mr. Scott-Elliott's London apartment Jan. 15 when the couple had not been seen for more than a month. They found it ransacked and bloodstained. Antique porcelain, jewelry, cash and credit cards were missing.

Police searching for the Scott-Elliott linked their disappearance with the Christmas Day discovery of the body of a woman dressed in man's clothing in a stream at Dunfermline, 60 miles south of Edinburgh.

She was identified as Mary Coggie, 50, a London post-office cleaner initially thought to be the common-law wife of Donald Hall, Archibald Hall's 37-year-old brother.

Donald Hall's body was found two weeks later, naked and hooded in the trunk of a car outside a hotel 40 miles north of Edinburgh. He had been released from prison three days earlier after serving a three-year sentence for housebreaking.

Shallow Grave

On Saturday, police found the body of another man thought to be connected with the case.

Thirty-seven-year-old David Wright was found in a shallow grave on isolated moorlands 10 miles from the Scott-Elliott estate in Scotland. Last summer, Wright had been the houseguest of a butler at a nearby estate.

A second suspect in the case, Michael Killo, 39, appeared in court on Thursday on theft charges similar to Mr. Hall's.

Mr. Scott-Elliott was elected to Parliament in 1945 on a Labor ticket and served five years. From 1946-1947 he served as parliamentary private secretary to the secretary of state for war.

For his political career Mr. Scott-Elliott served at the headquarters of the Ministry of Labor for four years during World War II.

U.S. Sets Aside
West German's
Spy Conviction

MIAMI, Jan. 23 (UPI)—A federal judge set aside today the conviction of a West German on a charge of acting as an unregistered foreign agent for East Germany and the Soviet Union.

But Judge Joe Eaton upheld a verdict convicting the West German and a U.S. citizen of conspiring to export aircraft guidance systems without the required export licenses.

Two more newspapers were ordered closed, bringing the city's total number of newspapers banned since Friday to eight, including the country's two largest, Kompass and Sinar Harapan.

Bonn, Djibouti Set Ties

BONN, Jan. 23 (UPI)—West Germany and Djibouti have established diplomatic relations, the Foreign Ministry announced today.



Associated Press
SOVIET PRESENTATION—Sen. Alan Cranston, D-Calif. (Center), greets Boris Ponomarev, head of a 10-member delegation from the Supreme Soviet, as the group arrived at Andrews Air Force Base, Md., for an 11-day visit. Second from left is Soviet Ambassador Anatoly Dobrynin and, at right, Rep. John Brademas, D-Ind.

Somalia Is Reported to Buy Arms From Cairo

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it would stick to its policy of not selling arms to "areas of tension."

It has been disclosed, however, that Bonn greatly accelerated getting the first \$12 million to Mogadishu and that it put no restrictions on the money, which is extremely rare—aid from Bonn normally requires a precise accounting of its uses. Thus, Bonn officials admit, it is possible that Somalia could buy arms.

The Somalian Embassy in Bonn said today that the grant will be used solely for economic and social development, United Press International said.

Grant From Bonn

[The Associated Press reported that Bonn announced plans today to give Somalia about \$7.1 million in additional aid for peaceful purposes under a program to be negotiated in Mogadishu next week. According to the AP report, the announcement of the new grant was coupled with a denial that the accelerated \$12-million loan to Somalia was meant for arms purchases.]

The new developments have also revived interest in Chancellor Helmut Schmidt's visit to Egypt early this month during which he met separately with Egyptian President Anwar Sadat and Mr. Siad Barre.

In Rome today, the deputy foreign minister of Ethiopia added another angle by claiming that his government was convinced that there was an agreement between the United States and Saudi Arabia in which weapons the Saudis bought from the United States were turned over to Egypt, which in turn passed weapons to Somalia.

Presumably, these were older Soviet versions that the Egyptians cannot yet because Moscow has halted arms aid to Cairo. Bonn's problems began yesterday.

day when the West German ambassador to Ethiopia, Johann Christian Lanke, was ordered out of the country on 24 hours' notice.

Today, Hale Dagne, Ethiopia's ambassador to West Germany, said that his country doubted Bonn's claims of neutrality. "Is it being neutral when you are financing the invasion and destruction of Ethiopia?" he asked. Bonn previously had had generally cordial relations with Ethiopia and was involved in several cooperative economic projects.

In West Germany, the disclosure of the unusual economic aid to Somalia is not likely to hurt Mr. Schmidt politically because help for Somalia is generally popular after the Mogadishu raid, a reported large-scale buildup of Soviet and Cuban advisers and equipment in Ethiopia and economic development. It serves no other purpose."

Ethiopia Accuses Bonn

BONN, Jan. 23 (Reuters)—Ethiopia accused West Germany today of financing an invasion attempt by Somalia.

Mrs. Dagne, the Ethiopian ambassador to West Germany, was explaining why his government expelled West Germany's ambassador in Ethiopia.

Mrs. Dagne denied that the expulsion had been prompted specifically by the \$12-million grant.

The peace initiative had raised great expectations in both countries.

To the average Egyptian, peace seemed to be just around the corner when Mr. Sadat returned from Jerusalem. Peace, to an Egyptian, meant the promise of prosperity and a better life.

The Israelis reacted jubilantly when Mr. Sadat brought him to Jerusalem the prospect that Israel would gain "acceptance, recognition and security" from its neighbors.

One of the most important questions is how the two populations will react to the threat that they caught a glimpse of peace will be drawn out once again.

The first tentative signs are not encouraging. Both regimes, it seems, can afford to revert to hawkish positions.

By far the longest and warmest applause for Mr. Sadat in the People's Assembly Saturday night came when he declared: "I have said that I would rather go to the end of the earth to avoid shedding a single drop of blood of one of my soldiers but I will not allow one square inch of Egyptian territory to be given away even if I have to fight to the end of the world."

Mr. Vance's apparent optimism, reporters were told, stems from private talks with Israeli Prime Minister Menahem Begin. Mr. Sadat and their aides late last week, as well as diplomatic contacts and his own interpretation of what has been said publicly.

Mr. Vance sees at least two developments occurring soon to promote negotiations, although the Israeli Cabinet yesterday did not agree to send a delegation back to the defense ministers' committee meeting in Cairo. Mr. Vance had a much more encouraging indication that Israel would do so than was apparent from the reports from Israel.

The secretary of state also remains confident that the final contacts will resume in the next week or 10 days with Mr. Atherton likely to play an important behind-the-scenes role, shuttling back and forth between Egypt and Israel, seeking completion of the agreement on principles for a Middle East accord that was being negotiated in Jerusalem when Mr. Sadat broke off the talks.

Mr. Vance seems determined to maintain this intermediary role for the United States in the Middle East without having the United States seem to dominate the talks. He will not take part directly in the negotiations for some time, as he feels that for the United States to be effective, there should be as little drama as possible attached to the resumed contacts.

Openly Pleased

Mr. Vance left Washington a week ago to participate in peace talks in Jerusalem with the Egyptian and Israeli foreign ministers. He spent the last two days of his trip in Turkey and Greece discussing the Cyprus situation.

One bomb wrecked a police post outside Barcelona's model jail and a second went off outside a children's home, causing slight damage.

A third shattered windows at a regional court building in Granollers, outside the city.

Police Unit, Court Bombed in Spain

BARCELONA, Jan. 23 (Reuters)—Two bombs exploded in Barcelona last night, but police said today that no one was injured.

One bomb wrecked a police post outside Barcelona's model jail and a second went off outside a children's home, causing slight damage.

A third shattered windows at a regional court building in Granollers, outside the city.

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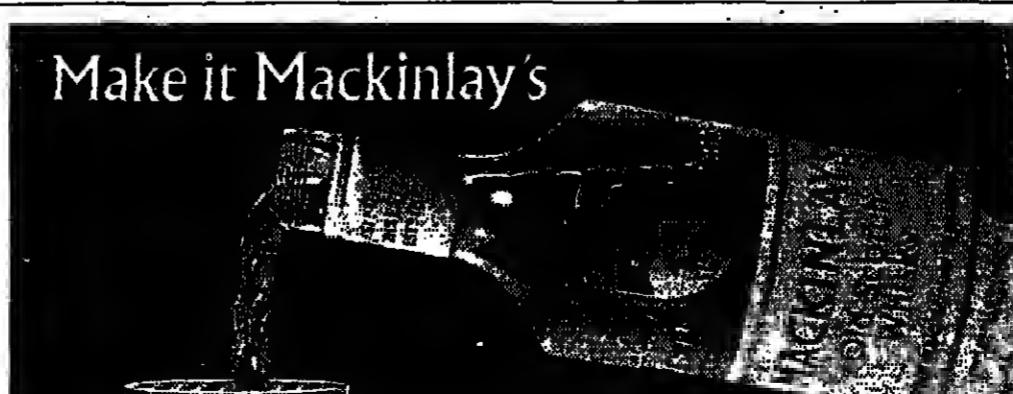
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News Analysis

Deadlock Returns to Middle East

By Henry Ianner

CAIRO, Jan. 23 (NYT)—After nine weeks of hope and drama starting with President Anwar Sadat's visit to Jerusalem, the Middle East has reverted to its customary state of deadlock and tension.

Israel and the most accommodating of the Arab governments, Egypt, have broken off their negotiations and are holding on once more to totally irreconcilable public positions on two of the key issues of the Arab-Israeli conflict—Israel's withdrawal and Palestinian self-determination.

The United States has been thrust back into the pivotal role, not only as a mediator but as the only superpower directly responsible for making peace.

The meaning of Mr. Sadat's speech Saturday night was that his peace initiative had run out of steam and that only the United States could get it started up again by putting pressure on Israel.

The only diplomatic activity scheduled for the next few weeks is by the United States. Alfred Atherton, the assistant secretary of state for Near Eastern and South Asian affairs, is in Jerusalem and there are reports that he may start a discreet shuttle to get the negotiations going again.

Secretary of State Cyrus Vance will be back in the area next month.

This is a far cry from the spectacular "momentum" that Mr. Sadat had called for at the start of his initiative.

The only point on which Egyptians and Israelis have reached agreement is the establishment of a standing channel for direct negotiation—the two ministerial-level committees set up by Israel Prime Minister Menachem Begin and Mr. Sadat at their Christmas summit in Ismailia.

But the channel is not being used. The Egyptians pulled out of the political committee of foreign ministers in Jerusalem Wednesday. And the Israeli Cabinet decided yesterday not to return to the military committee of defense ministers in Cairo for the time being. The Egyptians had wanted the military committee to continue its work.

The peace initiative had raised great expectations in both countries.

To the average Egyptian, peace seemed to be just around the corner when Mr. Sadat returned from Jerusalem. Peace, to an Egyptian, meant the promise of prosperity and a better life.

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Openly Pleased

WASHINGTON, Jan. 23 (Reuters)—Four members of East Germany's Dresden State Opera Company, on a guest performance in the West German port city, have defected from their troupe, the city's Cultural Affairs Department said today.

Mr. Begin thus was well within the national consensus when he rejected Egypt's minimum demands even though many Israelis may be critical of some aspects of his contacts with Egypt.

Egyptian officials have been banking heavily on their conviction that Mr. Sadat struck a responsive chord with the great mass of Israelis and created the beginning of a dovish pressure on the conservative Israeli Prime Minister.

As for Mr. Sadat, the best estimate here in Cairo is that

4 in Dresden Opera Co. Defect in Hamburg

HAMBURG, Jan. 23 (UPI)—Four members of East Germany's Dresden State Opera Company, on a guest performance in the West German port city, have defected from their troupe, the city's Cultural Affairs Department said today.

The four told city authorities they did not want to return to their Communist homeland for political reasons. The four, a ballet dancer, a married couple in the opera orchestra and a soprano,

left Egypt to seek shelter in the United States.

They laid responsibility for the articles on Mr. Sadat, since the Egyptian press is government-directed. The Prime Minister asked, "Is this the same man, Anwar Sadat, who came here . . . and told me, 'You are my friend?'" He quoted Mr. Sadat himself as saying in a magazine interview that Israel was trying to kill Egypt to sleep so it can commit murder.

Referring to his long list of Egyptian slurs against the Jews, Mr. Begin said, "All this contempt between nations came all of a sudden as negotiations were at their peak and Israel was showing good will."

An article in Al-Ahram el-Yam compared Mr. Begin to Shylock, Shakespeare's character in "The Merchant of Venice" seen as an anti-Semitic stereotype. Another example cited by Mr. Begin said, "We know from the outset that sitting with Jews is to sit with the world's speculators."

The task force report, made public today, also said that homosexual behavior should not in itself be considered sinful. The Los Angeles Times reported.

Five of the 18-member task force disagreed and, in a minority report, asked that homosexuals not be ordained to any church office.

If the majority report is adopted at the church's national convention in May, it would make the United Presbyterian Church the most liberal major U.S. denomination in extending full rights of membership and ministry to homosexuals.

1948, Israelis and Egyptians long each other's measure at the conference table for the first time and defined their positions on basic issues.



UNTIRING—It happened in Helsinki, lord knows how. Nobody was reported injured.

Priorities Include Research, Oil-Reserve, A-Arms Plans

22% Rise Is Asked in Energy Department Budget Authority

WASHINGTON, Jan. 23 (UPI)—Although the new Department of Energy has still to move into its new quarters here, it has obtained White House approval for its first formal budget that includes a 22-per-cent increase in budget authority over last year.

Major increases President Carter is asking Congress to approve for the Energy Department's \$12.5-billion budget for fiscal 1979 are aimed at the nuclear-weapons program, the Strategic Petroleum Reserve and energy research and development.

The energy research and development program is the largest such undertaking the government runs.

Highlights of the energy budget are:

- "A new flavor in the nuclear program," according to Assistant Secretary John Deutsch, which means \$150-million less for the Energy Department's breeder-reactor program. Unlike a year ago in the Ford administration's final budget, the only funds the Energy Department is seeking for the Clinch River (Tenn.) breeder reactor—once the centerpiece of the nation's nuclear program—are funds to shut it. The department,

2d Assad Term Backed

DAMASCUS, Jan. 23 (AP)—The Syrian parliament unanimously endorsed yesterday the candidacy of President Hafez al-Assad for a second seven-year term.

meanwhile, is providing new funding for nonproliferating breeder technology research.

The Energy Department's nuclear-weapons program accounts for one-quarter of the department's budget. The largest increases this year for the weapons activities—nearly \$350 million—will go to supporting production

of weapons materials, with an additional \$6 million to fabricate new warheads for the Trident, Minuteman-3 and Cruise missiles.

The department refuses to make public the amount of funding targeted for the neutron bomb, although an Energy Department official said it is in the budget "with the understanding that it is

subject to the approval of the President and the Congress."

• Funding for solar energy is increased slightly, including new funding for a major government "buy" of photovoltaic cells, long favored by solar advocates who claim that such a move will contribute to reducing the per-unit cost of the cells that convert sunlight into electricity.

• Despite a continual evocation of preserving environmental values while the Energy Department moves to stimulate energy supplies, the department environmental research budget authority request will be less this year than last year. There also has been a great deal of grouping at the staff level at the Environmental Protection Agency and at the Council for Environmental Quality about transferring \$14 million in EPA funding for combustion pollution control research and development to the Energy Department.

• The biggest increase of all—\$60 million over last year—will be going to support of purchases for the Strategic Petroleum Reserve to put 500 million barrels of oil in storage by the early 1980s.

• Conservation programs will also receive a substantial increase, by almost \$320 million—more than half of which will go to the weatherization program to insulate homes.

On the 6th floor

The Pentagon will begin taking more detailed measurements on distant seas and in the upper atmosphere with ship and airborne instruments. NASA will put on the space shuttle what it calls a Halogen Occultation Experiment to monitor chlorine and fluoride buildup in the upper atmosphere and will also put instruments on earth-orbiting satellites to study how the sun's heat influences the earth's weather.

Satellites will also be used to study the role of the world's oceans in world climate and a major new study will be undertaken involving ships and planes along the equator across most of the Pacific Ocean.

A growing number of scientists have expressed fears that growing populations and stepped-up burning of fossil fuels will isolate the levels of dust, ash, carbon and sulfur dioxide in the atmosphere that they will cause sudden changes in the earth's weather. Some of the changes would warm up the earth, others would cool it down. A weather change either way might be more than civilization can handle.

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Also Rejects Misdemeanor

Revelations Irk Kleindienst, Who Denies Guilt in Perjury

By Anthony Marro

WASHINGTON, Jan. 23 (NYT).—Richard Kleindienst, angry at the release of documents showing that some members of the Watergate special prosecutor's office had wanted to indict him on felony charges, said yesterday that not only did he not perform himself in Senate testimony in 1972, but also that he did not commit the misdemeanor to which he pleaded guilty in 1974.

The former attorney general said that it was "unconscionable" that the government released the internal documents because they contained a great deal of "speculation" about evidence and motive that had never been tested in court.

Perjury Believed

The documents, which were released last week as the result of a court suit filed under the Freedom of Information Act, show that staff lawyers believed that Kleindienst had perjured himself and had obstructed a Senate investigation in his 1972 testimony concerning an anti-trust suit against the International Telephone and Telegraph Corp.

Specifically, they wanted to seek a 13-count felony indictment, charging that he had lied to the Senate. The result was that Kleindienst was permitted to keep his license to practice law, which most likely would have been revoked had he been convicted of a felony.

Leon Jaworski, the special prosecutor, overruled this recommendation from his staff, however, and permitted Kleindienst to

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Despite Campaign Pledge

Carter Asks Defense Budget Rise

By George C. Wilson

WASHINGTON, Jan. 23 (UPI)—President Carter, who during his election campaign called for cutting the Pentagon budget, today asked Congress to continue his predecessor's expansionary policy in national defense.

Allowing for inflation, Mr. Carter's request for a record high \$125.5 billion for fiscal 1979 represents a 23-per-cent increase in total obligations, continuing the upward trend of the administrations of former Presidents Richard Nixon and Gerald Ford.

In terms of the \$126.6 billion requested from Congress and the \$115.2 billion the President figures will actually be spent within fiscal 1979, the Carter budget represents real increases of 3.4 per cent and 3.5 per cent, respectively, over former President Ford's last defense budget.

The \$2.5 billion the Department of Energy is expected to spend for warheads for the Pentagon in fiscal 1979, plus related con-

tributions to the defense effort, raises the President's national defense spending budget to \$117.8 billion.

Pledge Is Cited

Defense Secretary Harold Brown insisted at a Pentagon press conference on Saturday that Mr. Carter's first defense budget fulfills the President's campaign pledges to cut Pentagon spending by between \$5 billion and \$7 billion annually.

The numbers speak for themselves, Mr. Brown said. The Ford administration's fiscal 1979 projections for the Pentagon budget were \$84 billion higher in total obligations and \$6.5 billion higher in spending than Mr. Carter's budget, Mr. Brown said.

Mr. Carter's first military budget shows that he wants to spend more money on non-nuclear land forces for the North Atlantic Treaty Organization, plan a bit more about what kind of Navy should be built for the future, and stick with the nuclear strategic forces already deployed without that plunge ahead with new ones.

Under that set of presidential priorities, the Army fared best in the division of the Pentagon money pie. Expressed in dollars of equal value, this is how much President Carter earmarked for each service in fiscal 1979 compared to what each got in the fiscal 1978 budget as approved by Congress:

FY 1979	FY 1978	Change	
Army	\$32.1	\$30.8	+\$1.3
Navy	\$41.7	\$42.1	-\$4.4
Air Force	\$35.6	\$35.1	+\$5.5

Tank, Helicopter

The \$1.5-billion increase in the Army budget is attributable largely to the acquisition of new weaponry suitable to its war in Europe, with the start of production of the XM-1 tank and the purchase of new battle field helicopters, providing much of the rise.

Toward these objectives, the budget proposes spending an estimated \$7.7-billion in fiscal 1979. Among the categories are:

• Foreign economic and financial aid: \$4.4 billion, an increase from \$3.3 billion, the estimated total for fiscal 1978.

• Military assistance: \$465 million, compared with \$457 million for 1978.

• Conduct of foreign affairs, including the cost of international organizations and conferences such as the United Nations and the strategic arms talks with the Soviet Union: \$1.2 billion, slightly more than fiscal 1978's estimated \$1.15 billion.

• Foreign information and exchange activities: \$480 million, a rise from \$443 million in fiscal 1978.

Fire in Hong Kong

HONG KONG, Jan. 23 (UPI)—A fire in Kai Long village swept through squatter huts today, leaving 74 persons homeless.

Mr. Brown said he had hoped to speed up the development of the MX missile, still on the drawing board, but has postponed

Carter Sends 'Lean' Budget to Congress

(Continued from Page 1)

gram and increase spending for fossil-fuel research—a major shift away from earlier emphasis on nuclear reactors.

• Jobs. A \$400-million increase in job creation funds to begin a new program to reimburse private industry for training unemployed youths and to start demonstration projects for the jobs portion of the welfare program. Mr. Carter also would continue existing public-service jobs.

• Education. A \$1.38-billion rise in education spending to 12.02

billion, mostly for increased federal aid to the disadvantaged and handicapped, and to expand scholarships for middle-class college students to head off pressure for a costly tuition tax credit.

• Cities. Mr. Carter pledged a new aid package for urban areas, but left the details—and the price tag—for later this spring. Most observers expect only a modest program, built primarily around New York and other hard-pressed cities.

Expect a Handful

Expect for defense and a handful of other programs, virtually all of the increases were confined only to the spending levels needed to continue programs intact after accounting for inflation. Defense outlays were 7 per cent more than this "current-services" level.

Despite the hefty increase in defense spending, Mr. Carter's proposals would reduce the proportion of military spending compared to outlays for human-resources programs. At the same time, however, it would continue Mr. Ford's policy of boosting defense spending more rapidly than inflation.

The main thrust behind the new Carter budget proposal was to keep the economic recovery intact by enacting a tax cut to offset the "drag" on the economy created by the combination of inflation and the New Social Security payroll-tax increases.

James McIntyre, director of the Office of Management and Budget, said Mr. Carter specifically rejected the option of trying to stimulate the economy through increased spending, as he did, in part, last year. Mr. McIntyre said if more stimulus is needed later, it also will come via a tax cut.

Expect for the few unexpectedly large increases, the budget has essentially the same look it had in previous years. About 23.8 per cent of total spending was earmarked for defense; one-fifth for Social Security, and one-tenth for interest on government borrowing.

Training, Education

One-fourth of the budget would go for such programs as Medicare and Medicaid, transportation,

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Link to AWACS Seen

Bonn Is Said to Agree to Let U.S. Build New Gun for Tanks

BONN, Jan. 23 (WP).—The West Germans have tentatively agreed to allow production of a highly advanced new gun for the next generation of U.S. battle tanks to be built in the United States under license, it has been learned from high-level German officials.

The arrangement reportedly was hammered out in three days of negotiations last weekend at the Bonn Defense Ministry with Under Secretary of the Army Walter Laberge, who is returning to Washington today.

Although detailed terms of the licensing remain to be negotiated and no final decision has been made, the agreement in principle is of considerable potential importance to both countries, to the contractor selected for the job in the United States and to the North Atlantic alliance, where a major goal for several years has been to try to standardize weapons within the alliance.

Front-Line Equipment

If the terms worked out here are eventually approved formally by the Army, Pentagon and Congress, it would mean that the German-designed gun and special new ammunition would come from front-line equipment on about 3,300 new XM-1 main bat-

tie tanks that the U.S. Army plans to order.

A final deal, German officials say, would also undoubtedly help the atmosphere in the Bonn parliament toward agreeing to share the billion-dollar costs in the often delayed NATO purchase of about 18 U.S. airborne warning and control planes known as AWACS.

Although the two military projects have never been officially linked, the Germans have made it clear that the United States must at some point make good its pledge that arms purchases must be more of a "two-way street" in which the United States buys some European equipment rather than the Europeans always buying U.S. weapons.

The Germans were disappointed last year when their highly touted new Leopard II tank was not selected by the U.S. Army. Since then, there has been an effort to introduce standardization in some fashion into the new tanks that both the big U.S. and German forces—involved in almost 6,000 tanks combin-

ed—would use.

Mr. Laberge, who is returning to Washington today, has been disappointed last year when their highly touted new Leopard II tank was not selected by the U.S. Army. Since then, there has been an effort to introduce standardization in some fashion into the new tanks that both the big U.S. and German forces—involved in almost 6,000 tanks combin-

Stassen Aims To Fill Role Of Humphrey

MINNEAPOLIS, Jan. 23 (UPI).—Harold Stassen, the former governor of Minnesota, announced today that he would run for the U.S. Senate "to carry on Hubert Humphrey's devotion to the well-being of all humanity on this earth."

Mr. Stassen, 70, who has made repeated unsuccessful runs for the presidency and other offices, will run on the Independent-Republican ticket for the seat now held by Sen. Wendell Anderson—not for the vacancy created by the death of Mr. Humphrey Jan. 13.

Japanese Vessel Reported Missing

TOKYO, Jan. 23 (Reuters).—A freighter bound for Nigeria with Japanese goods worth about \$4.3 million has disappeared off the West African coast, Japanese press reports said.

The reports said that nothing had been heard from the 12,000-ton Panamanian-registered freighter Chief S. B. Bakar since it left the Ghanaian port of Tema on Dec. 19 bound for Lagos.

Last November, maritime nations and seamen's unions expressed concern about piracy in the area after a gang of Africans boarded the 1,600-ton Danish vessel Lindingen Ivory off Lagos. They apparently shot the captain before throwing him overboard, wounded members of the ship's crew and stole its cargo.



Winnie Mandela outside Johannesburg City Hall after her husband was formally charged.

Casualties of Boom in Schooling

Kenya's Educated Youth Find Jobs Scarce

By Michael T. Kaufman

NAIROBI, Jan. 23 (UPI).—After six years of conscientious trying, Lawrence Nganga, 26, a high-school graduate, has finally obtained what he considers a serious job.

Having worked as a day laborer, a freelance delivery boy and a gardener, Mr. Nganga has now been hired as a truck driver's assistant for \$2.08 a day.

The Germans, who have unemployment problems too, would like to have had the gun, if it were selected for U.S. Army use, built in Germany. But that was opposed by the Army and apparently was the reason behind the Laberge trip. Top German officials said here today, however, that they were aware that the only way to have the gun on U.S. tanks would be to have it produced in the United States.

The Germans also say that along with the gun, goes a new type of ammunition that flies out wings after it leaves the barrel to help stabilize it in flight.

The German gun is still being developed, so it probably would not be ready in time to be fitted on perhaps the first 1,000 U.S. tanks, but could be refitted to those later.

Stability Threatened

Some Kenyan commentators and politicians regard joblessness among the educated young as the most severe challenge to the political stability that this country has had since its independence in 1963. There has never been a serious threat of military take-over here nor has there been prolonged civil tumult. But now as thousands of young people appear frustrated in their desire to share in the sophisticated good life of Kenyan cities, there are grumblings of discontent.

Local politicians, aware of the country's reliance on foreign experts, some members of the large and generally well-off Asian community are alarmed by newspaper articles that charge them with being aloof from political and social issues while pursuing their business interests. The few figures available on unemployment appear to parallel equally sketchy statistics showing a rising crime rate.

The greatest cause of unemployment appears to be Kenya's benevolent and far-reaching educational policies. Unlike other African countries that have spent most of their budgets on armaments and armies, Kenya has concentrated on education, spending nearly a third of its budget on primary and secondary schooling. As a result, the literacy rate here is one of the highest in Africa.

Mr. Nganga's search for work had him keep work records for the crew.

When the contractor's job ended, Mr. Nganga worked as a watchman at a vacant house for half what the other job had paid. When a family rented the house, they asked him to stay as a gardener. His pay rose to \$50 a month.

The family took an interest in Mr. Nganga and suggested that he give first priority to getting a job and let the garden go. After two months of job-hunting, he was hired at a cooperative society and put in charge of packing truckloads of receipt books and bookkeeping ledger and shipping them to agricultural cooperatives.

The hiring was on a four-month provisional basis, but Mr. Nganga is confident. The hourly wage is about the same as he received as a gardener, but he is also entitled to medical benefits and ultimately to a pension. But most important for Mr. Nganga is the possibility of advancement. "For the first time since high school," he said, "I can imagine my future."

After he left school, he applied to a teacher's college and was rejected. He took a test for the air force, which he failed.

Still, Mr. Nganga has some valuable resources. He endures a kind of faith that is common in much of Africa. A few months ago, when asked why he and persons like him were not demonstrating because of their frustrations, he replied, "Because I believe it is better to be poor in a country with stability than to be poor in a country without stability."

Admirer of Kenyatta

One of his favorite books is a biography of Jomo Kenyatta. He sees the President's life as a parallel to his own. "You know, he started very poor, an orphan and he has gone so high. He too, waited so long for his chances, maybe he who starts last goes longest."

For a year, Mr. Nganga worked as a day laborer for a contractor, receiving the equivalent of \$1 a day. His health was bad then and the contractor

Denktash Back in Nicosia

NICOSIA, Jan. 23 (UPI).—Turkish-Cypriot leader Rauf Denktash arrived here today after five days of talks in Ankara with Turkey's Premier Bulent Ecevit and other government officials on the Cyprus question.

Spain Poll Finds Suarez Decline

BARCELONA, Jan. 23 (UPI).—Premier Adolfo Suarez's popularity has fallen from a high point of 79 per cent last April to 49 per cent last month, a poll published here said.

The ICSA-Gallup Poll, printed by the newspaper La Vanguardia, said that last month 46 per cent of the Spaniards questioned approved of Mr. Suarez's performance as chief of government. Twenty-four per cent said they disapproved, and 27 had no opinion or refused to answer.

Mr. Suarez's popularity was at a high point last April, when 7 per cent disapproved of his work and 73 per cent approved.

It said the two leaders discussed bilateral and international issues.

Mr. Hsu said, "I believe that Prime Minister Barre's current visit to China will surely contribute to the furtherance of the friendship of the people of China and France and the friendly cooperation between the two countries in various fields."

France Contends 16 Missing in Argentina

PARIS, Jan. 23 (UPI).—Sixteen French persons are being held in Argentine prisons or have disappeared in Argentina apparently for political motives, the French Foreign Ministry said last week.

Two nuns were reported missing last month. Half of the missing hold French passports and half have double French and Argentine nationality, the Foreign Ministry said.

It is literally a living grave," said. "One loses touch, I keep my sanity by reading."

Inconstant police vigilance led to five charges against her of violating the terms of her banishment by participating in a "social gathering" and by receiving visitors.

Kim Acceptance Of Soviet Honor Hints Closer Tie

TOKYO, Jan. 23 (UPI).—North Korean President Kim Il Sung has received a decoration awarded to him by the Soviet Union almost six years ago, indicating a thaw in North Korea's long-cold relations with the Soviet Union.

North Korea's official news agency, in a broadcast heard Sunday in Tokyo, said that Mr. Kim received the Order of Lenin, one of the Soviet Union's highest decorations, at a meeting Friday with D. A. Kharayev, a member of the Politburo of the Soviet Communist party.

The same time, Mr. Kim accepted a letter from Soviet party Secretary-General Leonid Brezhnev, the agency said.

It was the first time in more than two years that the news agency had reported a meeting between the 68-year-old North Korean President and a Soviet official.

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And Aids Other Blacks

By Caryle Murphy

BLOEMFONTEIN, South Africa, Jan. 23 (WP).—The Orange Free State is not a place but a state of mind, South Africans are fond of saying. A while back, the story goes, a group of farmers in this central province of South Africa took up a collection and sent the money to a university with the request that they "prove, once and for all, that the world is really flat."

The Afrikaner here prides himself on being more conservative, more shrewd and admirably tough than his up-country kin in the Transvaal, and he is conscious that he is from a place where Afrikaner history has deep roots. In 1854 the Boers of the Orange Free State received their independence from the British in the provincial capital of Bloemfontein, which today is the seat of South Africa's highest appellate court.

The trial on the charges, for which she could get a maximum of 15 years in prison, was held in Bloemfontein regional court.

The triviality of the charges sometimes gave the jury a lighthearted air or high comedy despite the pervasive serious atmosphere.

C.P.J. Sterlyer, tall, thin and bespectacled magistrate with the aspect of someone suffering from an ulcer, seldom smiled.

Resisting Arrest

Facing the magistrate was George Blago, a portly Johannesburg lawyer who was an assistant counsel to Steve Biko family at the inquest into his death. In 1964 the Boers of the Orange Free State received their independence from the British in the provincial capital of Bloemfontein, which today is the seat of South Africa's highest appellate court.

What better place then, the government must have reckoned, to send an uppity black woman to jail for 16 years, despite being banned, detained and harassed by police, has remained at the center of the anti-apartheid force in the black community.

Winnie Figure

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Three of the women, Iona Kleinschmidt, 26, Jackie Eosman, 31, and Barbara White, 42, were given a year in prison for "obstructing the course of justice." An anti-apartheid militant, Helen Joseph, 72, who was a banned person for five years and spent nine years under house arrest, received a four-month sentence. The judge gave her a lesser sentence because of her age and heart condition.

The women refused to answer questions because under South African law, if they make a statement to the police, they can later be called as state witnesses against Mrs. Mandela. "We refuse to participate in the continued persecution of Winnie," said one of her friends. They are appealing the sentences on Feb. 6 on the grounds that they are excessive.

"Winnie is my daughter," said one, "and we visited her to keep the Helens open."

Barbara White said of her decision, "I didn't look for this situation. I was suddenly faced with it. Everyone comes to a crisis when they are living in an evil society and I believe apartheid is evil."

U.S. Reckons Cubans in Africa Include a Quarter of Its Army

WASHINGTON, Jan. 23 (UPI).—Four white women from Johannesburg who visited their friend Winnie Mandela, a black militant, after her banishment to Bradford have decided that they will go to jail rather than answer police questions about their visits.

Three of the women, Iona Kleinschmidt, 26, Jackie Eosman, 31, and Barbara White, 42, were given a year in prison for "obstructing the course of justice." An anti-apartheid militant, Helen Joseph, 72, who was a banned person for five years and spent nine years under house arrest, received a four-month sentence. The judge gave her a lesser sentence because of her age and heart condition.

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Believing her to be one of the motors behind the unrest in Soweto, the government acted against her a full five months before they detained the rest of Soweto's leadership in October.

For her, the minister of police, Jimmy Kruger, unleashed the weapon meant for people who won't withdraw on the vine despite the constant shadow of the security police. They uprooted her.

Mrs. Mandela was "banned" from her electrified home in Soweto, where she had lived most of her adult life, to a three-room concrete shell without plumbing or electricity in the black area of the Orange Free State, which is somewhat larger. Here are the U.S. figures, released by the White House late last year, on the Cuban presence:

Algeria: 35 on a medical team.

Angola: 19,000 troops and 4,000 medical advisers.

Benin: 10 to 30 military or security advisers.

Cape Verde: from 10 to 15 medical advisers.

People's Republic of the Congo (Brazzaville): about 300 military advisers and 100 to 200 civilian technicians.

Somalia: Cuban presence withdrawn Nov. 12, 1977.

Tanzania: 350 to 500 Cuban, mostly technical advisers.

Uganda: perhaps 25 military advisers.

Yemen: 100 to 125 military.

Madagascar: about 30 military advisers.

Mozambique: 650 to 750 in 1974, mostly civilian technicians.

Sao Tome-Principe: 75 to 80 medical personnel.

Sierre Leone: 100 to 125 military advisers.

Somalia: Cuban presence withdrawn Nov. 12, 1977.

Tanzania: 350 to 500 Cuban, mostly technical advisers.

Uganda: perhaps 25 military advisers.

all parties would take part, would provide the best hope of stability.

But the British also realize that an internal settlement may be inevitable, and they hope that their continued contacts with the Patriotic Front leaders, Joshua Nkomo and Robert Mugabe, will prompt Mr. Smith to adopt a highly flexible position. The more frightened he is of a takeover by the radical Patriotic Front, which operates from outside the country



A detective inspects damage to the Rome office of Communist lawyer Fausto Tarsitano.

2-Hour General Walkout in Italy

Unions Strike in Advance of Andreotti Talks

By Paul Hofmann

ROME, Jan. 23 (NYT)—Italy's powerful labor unions reminded the nation's capital today of their political weight and social grievances by staging a two-hour general strike here.

The stoppage came a few hours before Premier-designate Giulio Andreotti met with Communist leaders to open formal negotiations with their party in an effort to solve the week-old government crisis.

The two events had been scheduled separately, yet they were politically related. Communist influence in organized labor is a fact that anyone who wants to govern Italy must face. Mr. Andreotti is understood to be seeking a "social pact" with the trade union movement that would commit it to using restraint in its wage demands in exchange for assurances that the next government would carry out broad social reforms.

Pressure for Higher Pay

The Communist party has given clearly to understand it had the muscle in the labor organizations to deliver their consent to an accord with management associations and the government whereby workers' pressure for higher pay would be curbed. The Communist party organ *L'Unità* said in an editorial yesterday: "We are not afraid of shouldering our responsibilities, even if this were to be unpopular."

Leading members of Mr. Andreotti's Christian Democratic party and economic experts who are affiliated with other parties, no political group at all, have one contended that wage restraint was necessary to reduce Italian production costs, spur investments, combat inflation and create new jobs.

It is widely conceded that the Communist party could do much to bring about a "social pact." However, the Communists have up to now insisted that their price for such help is participation in a proposed "national emergency government."

One Proviso

Mr. Andreotti cannot grant this demand from the Communists. The Christian Democratic party, Italy's strongest political machine, has

given him ample freedom concerning strategy in setting up a new government—with one proviso, namely, that it must not include Communist ministers.

The Cabinet that Mr. Andreotti has been heading for a year and a half was made up only of Christian Democrats and one independent expert. It was able to stay in power longer than most Italian governments because the Communists in Parliament passively supported it by abstaining from voting on key issues.

When the Communist party withdrew this de-facto backing, Mr. Andreotti and his ministers had to resign.

The outgoing Cabinet is now serving as a caretaker administration, handling only undelayable and routine business.

President Leone entrusted Mr. Andreotti with the task of forming a new government Thursday.

In today's meeting with the Communists, Mr. Andreotti reportedly gave an outline of what the administration he was attempting to set up should achieve. He also was said to have made proposals regarding ways whereby the Communist party might take part in the government's decision-making without being formally represented in it.

The secretary-general of the Communist party, Enrico Berlinguer, who is a member of the Chamber of Deputies, and the Communist floor leaders in the Chamber and the Senate saw Mr. Andreotti this afternoon. They were understood to have reiterated their party's request for a role in an "emergency government."

Mr. Andreotti conferred today also with representatives of the Socialist party, and is due to meet with politicians of other groups tomorrow and Thursday.

Violence Continues

ROMA, Jan. 23 (UPI)—Urban guerrillas carried out firebomb attacks on mainly leftist targets today. Police reported firebombs in Rome and Bologna and an apparent bombing in Trieste that caused slight damage but no injuries.

Rome police said attackers

U.S. Officials Weighing Sales Of Fighter Planes to Egypt

By Richard Burt

WASHINGTON, Jan. 23 (NYT)—Government officials, in the first stages of putting together the Carter administration's armaments program for this year, are proposing the first sale of U.S. aircraft to Egypt.

According to officials closely involved in interagency planning or arms sales, the administration is heavily leaning toward allowing Egypt to buy a yet-to-be-determined number of F-5E fighter planes during the forthcoming year. They said that the proposed sale is now included in the administration's overall sales package for fiscal 1978 and, following a meeting with State Department, Pentagon and Arms Control Agency officials later this week, a recommendation concerning the size of the deal will be sent to the White House for approval.

However, officials cautioned that the fighter proposal, which has been under study for months, is likely to be affected by last week's diplomatic developments in the Middle East. The proposal, they said, has been seen as a means of demonstrating strong U.S. support for Egyptian President Anwar Sadat's recent peace initiative with Israel. But the current impasse in Egyptian-Israeli negotiations is said to have made a White House decision on the fighter deal much more difficult.

Strong Call

Officials also speculated that Mr. Sadat's strong call last Thursday for the United States to arm Egypt with all the arms the Soviet Union has got "would affect the timing of any U.S. offer to Cairo." Several recommendations on the size of the proposed sales are said to be under consideration, according to an official. At present, none of the options are "at zero." An option is said to envisage the sale of 120 fighters. It is believed that between 60 and 80 aircraft will be proposed for White House approval. The President Carter accepts this plan, it would be bound to

Obituaries

Comedian Jack Oakie, 75, Was Mussolini in 'Great Dictator'

LOS ANGELES, Jan. 23 (UPI)—Jack Oakie, 75, the comedian who played second-fiddle to the top personalities in show business, died at a hospital today after complaining of stomach pains.

Mr. Oakie was admitted to Northridge Hospital in the suburban San Fernando Valley at 4:30 a.m., complaining of severe abdominal pains, a hospital spokesman said. He died at about 9:30 a.m., apparently of aortic aneurysm, which is a swelling of a major artery.

Mr. Oakie always considered his characterization based on Mussolini in Charlie Chaplin's "Great Dictator" the high point of his career.

Mr. Oakie began his career on Broadway in 1922 as a dancer in a George M. Cohan production, "Little Nelly Kelly." He appeared in "Artists and Models" and other stage productions and toured the vaudeville circuit with Lulu McConnell.

The Fleet's In'

In 1927, he went to Hollywood and met director Wesley Ruggles at a party. Mr. Ruggles put him to work immediately in "Finders Keepers," starring Laura La Plante. Then Paramount signed him to appear opposite Clara Bow in "The Fleet's In." Mr. Oakie was with Paramount

for nine years and appeared in many big musicals. He was credited with breaking in many film newcomers, including Bing Crosby, Lanny Ross, Dale Evans, George Burns and Gracie Allen, Maurice Chevalier and Alice Faye.

He also starred with Clark Gable and Loretta Young in "Call of the Wild."

He was born Lewis Delaney Offield in Sedalia, Mo., on Nov. 12, 1903. The family moved to Muskogee, Okla., when he was 5. The name "Oakie" was tagged on him by friends when he entered show business because they knew he had lived in Oklahoma. He added Jack as a first name but never legally changed from Offield.

The family moved to Kansas City and then to New York City where his first job was as a telephone clerk in a brokerage house. But too much clowning around brought recommendations from friends that he enter show business.

As his Hollywood career developed,

23 Dead in Japan Quake

TOKYO, Jan. 23 (AP)—Earthquakes that shook a resort area on Japan's eastern seaboard this month killed at least 23 persons, and two more are missing and presumed dead, a report said yesterday.

He married actress Vanita Varden in 1936. A dozen years later she was killed when an airplane in which she was a passenger crashed near Mount Carmel, Pa. A last-minute hitch in studio commitments kept Mr. Oakie from boarding the same plane.

Mr. Oakie went into semi-retirement in 1961 but he still made occasional appearances in character roles in films and on television.

He and his second wife, Victoria, made their home in a baronial house on a ranch in the San Fernando Valley.

Freda Utley

WASHINGTON, Jan. 23 (AP)—Freda Utley, 79, author and lecturer on political issues and social conflict in the Far East, Europe and the United States for more than 50 years, died Saturday after a stroke.

The British-born Miss Utley became a U.S. citizen in 1950. After emigrating to the United States in 1939, she was active in the America First movement, arguing that England shouldn't be encouraged to "fight a war

she couldn't win and might lose." Others in the movement included Charles Lindbergh, Readers Digest founder DeWitt Wallace and Clare Booth Luce.

A follower of Marxism early in life, she became a champion of conservative causes after living in Stalinist Russia from 1930 to 1936. While in Moscow, she married a Soviet citizen, Arcadi Berdichevsky, who was arrested by the country's secret police and died in a concentration camp.

Miss Utley was a writer from Japan for the Manchester Guardian from 1926 to 1928 and served as a magazine and newspaper correspondent in China and Germany during World War II. For years she was a regular contributor to the National Review magazine.

Her books included "The China Story," a 1951 best seller, "Japan's Feet of Clay," "Japan's Gamble in China," "China at War," "Lost Mission," "Will the Middle East Go West," "The Dream We Lost," "Odyssey of a Liberal," "The High Cost of Vengeance" and "Last Chance in China."

Sir Oliver Leese

OSWESTRY, Wales, Jan. 23 (AP)—Lt. Gen. Sir Oliver William Hargreaves Leese, 83, who led the British 8th Army to victory in Italy in World War II, died at his home here yesterday.

Sir Oliver succeeded Montgomery as commander-in-chief of the 8th Army.



Jack Oakie in 1938.

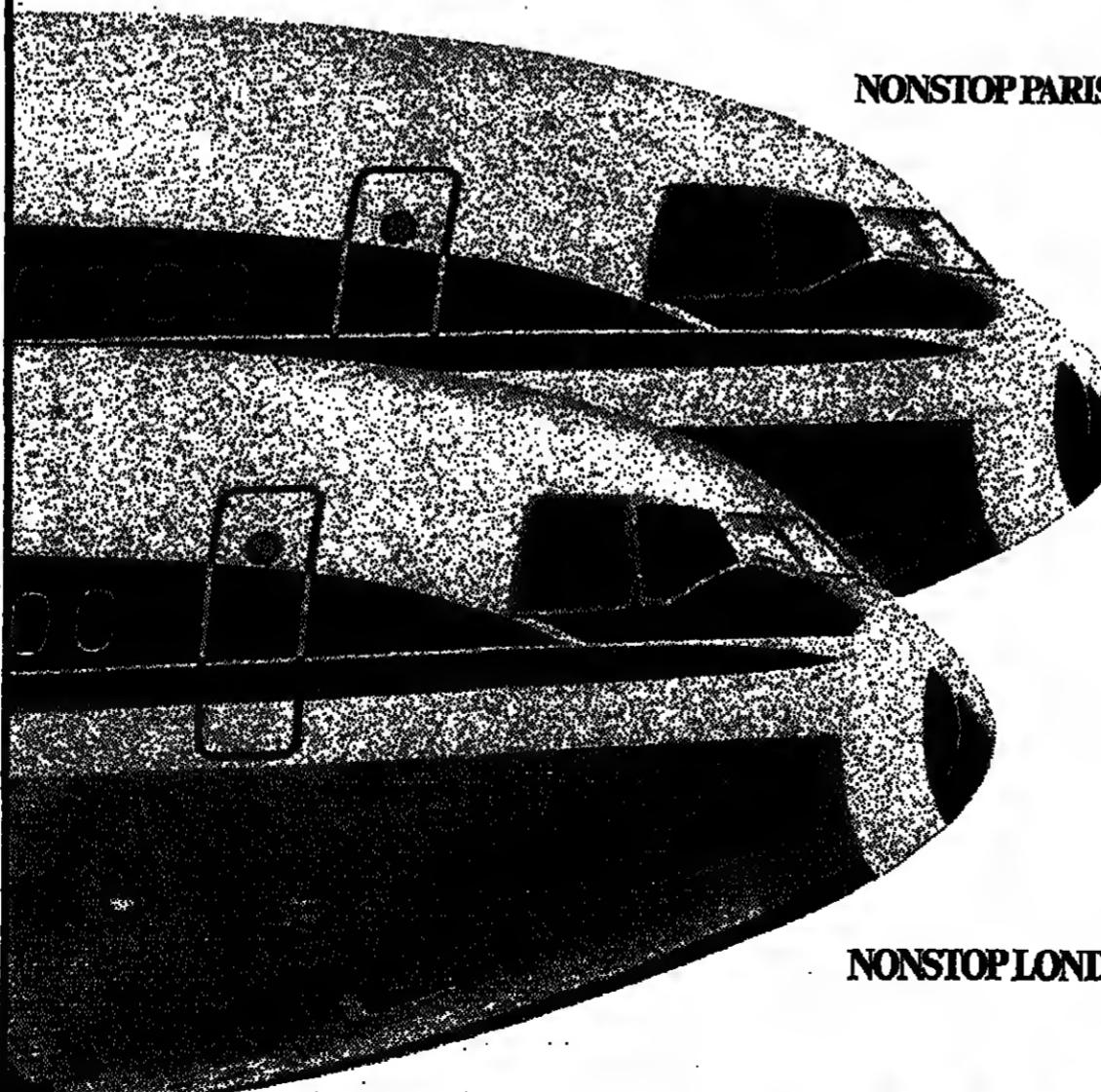
Before that he led the 30th Corps in the forefront of the Allied advance from El Alamein in North Africa to Sicily. He was one of the youngest corps commanders in the army.

Sir Oliver, who had also fought in World War I, was appointed in 1944 commander in chief of Allied land forces in Southeast Asia. A year later he became head of the Eastern Command. He retired in 1946.

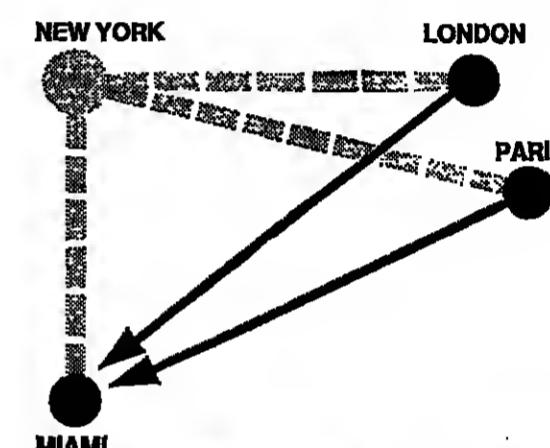
From 1954 until 1957 he held the largely honorary post of Lieutenant of the Tower of London and in 1962 became president of the British Legion veterans association.

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Vance the Middleman

The visit of Secretary of State Cyrus Vance to Turkey and Greece after his involvement in the Jerusalem fiasco may not have accomplished much in the way of specific progress in the Cyprus stalemate. But it did emphasize his role—and that, of course, of the United States—as middleman in several painfully difficult confrontations. And, as it has been said of the middle-of-the-road politician that he gets run down by traffic going both ways, so Mr. Vance and his government are reproached by each party in every dispute.

It was Otto von Bismarck who applied the words "honest broker" to one aspect of the middleman rule. This assumes that the state concerned does not have primary interest in the issues involved—as Bismarck's Germany was not directly concerned in the Balkan questions discussed in the Berlin conference which inspired his remark. And to that extent the United States could be an honest broker in negotiating for the re-federation or partition of Cyprus, the disposition of lands in the Sinai or the Golan Heights, the role of the Palestinians in the West Bank and the Gaza Strip.

But this kind of brokerage is only one

phase of international diplomacy. Another involves the relative commitment to the parties immediately concerned. And here Egypt's President Anwar Sadat can point out that, if war comes again in the Middle East, the Israelis will be fighting with U.S. weapons; Greek Cypriots argue that the United States can exert pressure on Turkey because it has a "special relationship" with the Turks.

And then there is the matter of internal political pressures, which played a part in securing arms for Israel and, in spite of the Greek confidence in U.S. influence on Ankara banning arms for Turkey. In other words, U.S. authority can apparently speak strongly because it has shipped weapons abroad—but who will listen when it speaks? The United States does not want to weaken Israel or antagonize Egypt; it has two allies in Greece and Turkey and wishes to lose neither of them.

So while Washington is ostensibly regarded by many states as a center of power, that power has been distributed after a fashion which tends to cancel itself out, so far as Cyprus and the Middle East are concerned. So it can only be used with the greatest tact—and, in the long run, the role of honest broker seems the best to play.

Mr. Carter's Economic Refrain

President Carter's State of the Union message last week called for "fresh answers, unhampered by stale prescriptions of the past," but his hydra-headed economic policy turns out to be, if anything, a tribute to the past.

The proposal for a \$25-billion tax cut is vintage fiscal policy, designed to shore up the economy late this year but not to tackle inflation at the same time, as it might have. The pledge to shrink the size of the federal government and to chase the Holy Grail of the balanced budget is a hoary proposition. The stabs at tax reform resemble those of his predecessors and are mere shadows of the sweeping changes once promised. And the talk of misguided regulation as a major source of inflation has enchanted college sophomores for decades.

That is not to say the President has designed a bad strategy to sustain the nearly three-year-old economic recovery—merely a disappointing one. Jimmy Carter reached the White House because he was thought different. But for the second straight year, he has failed to pump much fresh air into economic policy. The only elements of his package that might break with the past are the parts as yet unexplained. Although the administration issued a blizzard of documents over the weekend, its game plan is still not clear.

A new initiative to create jobs, for example, is no more than a twinkle in Mr. Carter's eye. By March, his advisers hope to figure out how to spend \$400 million to encourage business to hire jobless teen-agers and minority workers. The money is to be a subsidy for hiring the low-skilled, but the government has not decided how to design or allocate such grants. The idea is good—bringing some balance to the President's excessive reliance on artificial job creation in the public sector. The resources of business should be aimed at the problems of the chronically unemployed.

But the most critical omissions in the President's presentation concern the new plan to enlist the help of business and labor in reducing inflation. To avoid the charge of interfering directly with wage and price

decisions, the President has fashioned what could become the Democrats' own WIN button. (President Ford got nothing but ridicule for his well-advised campaign to Whip Inflation Now.) The Carter plan appears to be equally toothless and jawboneless—without bite. It aims to get business and labor voluntarily to hold wage and price increases in 1978 to less than their average increase over the last two years. Invisible guidelines—which will not be announced—are to be somehow applied in each industry. If all cooperate and nothing abroad upsets prices, the President hopes thus to shave one-half per cent off the 6 per cent inflation rate experienced since 1976.

What will make this happen? Unless the President is willing to ruffle the feathers of a few people from time to time, nothing will. Not because business and labor leaders set out to generate inflation, but because all of them feel duty-bound to keep up with all others. Unless the President can demonstrate that his plan will succeed, who could risk falling behind in the race?

Still the President's advisers talk of avoiding confrontations. They look to backroom huddles instead. The Council on Wage-Price Stability has conducted such huddles for years. They have produced a pile of exemplary analytical studies—and an unbridging 6 per cent inflation rate. Without the power and prestige of Mr. Carter, publicly as well as privately invested, the new anti-inflation effort will leave the same legacy. Unfortunately, the President has left himself without any other major weapon on this front.

The battle against inflation this year takes on a new urgency, because 1978 is a relatively light year in the three-year cycle of union contract negotiations. Next year will be heavy, with pattern-setting contracts due in the trucking, rubber and auto industries. Unless the nation makes noticeable headway this year, there can be scant hope of turning down wage increases in 1979, or inflation thereafter. That is a policy dead end into which neither Mr. Carter nor the Congress should be steering.

THE NEW YORK TIMES.

The Career of

Chappie James

In 1943, when Daniel (Chappie) James, fresh from college and eager to join the war effort, enrolled in the U.S. Army Air Corps, he was assigned to an all-black unit. That wasn't an unusual procedure then for either the Air Corps or the other armed services. In fact, it was the norm. The bitter irony of the U.S. military fighting for democracy at home and abroad while itself being rigidly segregated wasn't officially recognized and remedied until after the war. Next month, Chappie James retires from the Air Force, ending a 35-year military career. He retires as a four-star general whose last assignment was commander of the North American Air Defense Command. As such, he was the only U.S. military official with emergency authority to deploy nuclear weapons without presidential approval.

There are only 36 officers of four-star rank in the entire U.S. military, so Chappie James is the outstanding exception rather than the rule among both blacks and whites. But reviewing his career does bring into focus the changed climate that blacks have found in the military during the last generation. To state it simply, blacks have become an

acknowledged integral part of the U.S. fighting force. The level of achievement they can aspire to is no longer circumscribed by their race. They can be not black soldiers, but soldiers, period. A large measure of credit for this progress must go to those black soldiers and airmen whose demonstrations against segregation in the armed forces during World War II forced the military to march down the right road on this matter.

Gen. James himself would be the last to play racial politics in the military. His was a struggle to get in and gain an equal chance to prove his fitness. That he did, as an ace fighter pilot in Korea and Vietnam and in a variety of administrative posts. Some have found his old-fashioned patriotism and unshakable faith in the American dream gratifying, particularly during the latter part of the Vietnam war, when he was the chief spokesman for the Pentagon. But, as Gen. James described himself, he is "above everything else . . . an American . . . a general and a warrior." In all three capacities, he has served his country well.

THE WASHINGTON POST.

In the International Edition

Seventy-Five Years Ago

January 24, 1933

PARIS—The "Temp" has interviewed Mlle. Rosita Mauri, the famous "dansuse" of the opera and authority on classic dances, on the all-absorbing question of the American cake-walk. Mlle. Mauri is of the not incomprehensible opinion that the cake-walk is not a dance at all, and that its reign will be of short duration. Its popularity, she says, is largely due to the fact that it is easy to learn, whereas to master the classic dances it takes years of "arduous" training. . . . Exactly!

Fifty Years Ago

January 24, 1923

NEW YORK—Grace Moore, the Metropolitan Opera Company's new soprano from Tennessee, who starred on Broadway in musical comedy a few years ago, will make her debut at the Metropolitan as Mimi in "La Bohème" on Wednesday afternoon, February 8, in a special performance for the benefit of the Misericordia Hospital. Miss Moore's parents, Governor Henry Horton of Tennessee and his wife, Senators McKellar and Tyson, and many citizens of Jellico, Tenn., are expected to attend the opera.



U.S. Intelligence and the Law

By Anthony Lewis

SAN FRANCISCO.—Starting late last spring, President Carter and Vice-President Mondale held a series of unannounced meetings with members of the Senate Intelligence Committee. They talked about a familiar, tormenting problem: How to bring this country's foreign intelligence activities under the controlling hand of law.

This week the first fruit of that unusual joint effort, an executive order, is to be issued by the President. It will be followed, next week, by the Senate committee's publication of legislative proposals—a set of detailed charters for the intelligence community. The committee will hold hearings on the legislation in February.

All this marks a significant new stage in the gradual process of reform that has gone on since Americans first began, three years ago, about the massive abuses and crimes committed by their intelligence agencies. President Ford took the first step in an executive order on Feb. 16, 1976. The new measures go considerably farther.

What will make this happen? Unless the President is willing to ruffle the feathers of a few people from time to time, nothing will. Not because business and labor leaders set out to generate inflation, but because all of them feel duty-bound to keep up with all others. Unless the President can demonstrate that his plan will succeed, who could risk falling behind in the race?

Still the President's advisers talk of avoiding confrontations. They look to backroom huddles instead. The Council on Wage-Price Stability has conducted such huddles for years. They have produced a pile of exemplary analytical studies—and an unbridging 6 per cent inflation rate. Without the power and prestige of Mr. Carter, publicly as well as privately invested, the new anti-inflation effort will leave the same legacy.

The Carter order emphasizes, as a general rule, compliance with American law. And it goes beyond the requirements of law. For example, it says that agencies must ordinarily obtain a warrant to conduct electronic surveillance, unconsented physical searches or mail checks on a "U.S. person" for intelligence purposes if a warrant would be required to do the same thing for law enforcement.

"U.S. person" includes citizens, resident aliens, corporations and associations.

There is an exception to that rule, but it is a guarded one. A search or surveillance may go ahead without a warrant if the President has approved the technique and the attorney general has (1) approved the particular activity and (2) found probable cause to believe that the target is "an agent of a foreign power."

The order clamps down hard on infiltration of private U.S. organizations—such as the CIA's role in student groups and the press

that has aroused so much dispute. The general rule will be that any agency employee who takes part in an organization must disclose his intelligence affiliation. There are closely defined exceptions, with the attorney general again monitoring them.

Responsibility

The attorney general is given broad new responsibility by the Carter order to watch for illegality in intelligence activities. He is also to lay down procedural rules to "protect constitutional rights and privacy," to keep intelligence activities directed at Americans to "the least intrusive means possible" and to limit the dissemination and storage of information on Americans.

Of course the best rules in the world depend in the end on human beings. Two recent attorney general committee crimes—those of the Ford and Carter executive orders—should make a great difference in a part of government that used to think of itself as beyond any rules.

The AIAA order is intended, in any event, as only a basic set of standards—and an interim one. Carter is looking to lay down comprehensive and lasting rules for the intelligence community.

Drafts of the charters that have been circulating include many specific restrictions lacking in both the Ford and Carter executive orders. The only covert operations finally prohibited by the latter, for instance, are assassinations; charters draft also outlaw steps to overthrow demo-

cratic governments, among other things. The drafts also prohibit payments to journalists or ministers for intelligence work, and covert support of books or journals in this country.

Whether the restrictions are tight enough will be debated. Some informed observers will be disappointed that covert operations are not ruled out altogether or severely limited. Cyrus Vance told the Senate intelligence investigation in 1975 that they should be undertaken "only when absolutely essential to the national security"; Clark Clifford said he would limit them to situations with a "profound impact on the continued existence of this country."

But only the most determined skeptic will fail to recognize that something has happened. After the disclosures of abuse, some people doubted that either Congress or the Executive would try to deal with the problem. They feared that this country had developed an intelligence empire immune from regulation. I think they were too gloomy.

It is also extremely significant that a president and members of Congress have worked together as they have on this issue. Ford, in issuing his order, was doubtful about giving intelligence information to congressional committees. The Carter order makes that a duty, and it relies on the Senate and House intelligence committees for oversight. Indeed, they played a large part in drafting the order. That is a powerful symbol of Congress's new role in matters once thought to lie within Executive discretion.

Justice and Carter's 'New Spirit'

By William Safire

WASHINGTON.—Nineteen hours after Jimmy Carter invoked an uplifting "new spirit" in his State of the Union address, his attorney general dutifully carried out a presidential order to fire a Republican prosecutor at the urgent request of a Democratic congressman who is under criminal investigation.

The new spirit is not merely a President breaking a promise to remove politics from law-enforcement appointments. The central issue is an attempted—and, incredibly, a successful—obstruction of justice, involving at least two and probably more government officials, possibly some members, and the duping of the President.

Last year, an investigation was undertaken by Justice Department strike forces and several U.S. attorneys into kickbacks by Mafia-connected businesses to government officials who steered public largesse their way. At least two grand juries were empaneled, in Philadelphia and Washington, working with law officers in Los Angeles.

Pennsylvania Democratic Congressman Dan Flood, a power-

house on the Appropriations Committee and the only congressman with the courage to sport a Simon Legree waxed mustache, has seen his aide, Stephen Elko, and family friend, Patricia Brislin, recently convicted on federal bribery charges for obtaining undeserved accreditation for federally funded trade schools. Granted immunity from additional prosecution, they are now under pressure to testify.

At the same time, Joshua Elberg, vice-chairman of the Pennsylvania Democratic party and chairman of the House Judiciary's Immigration subcommittee (the most powerful man in the nation on aliens) has to explain why his law firm took more than \$400,000 in fees in connection with the financing of the addition to Philadelphia's Elmhurst Hospital, which the congressman's office may have used its leverage to swing.

Elberg, long in the vanguard of grand jury reform, felt the hot breath of a grand jury poking into his affairs on Nov. 1 and 2 of last year. On Nov. 4, he called President Carter. When his telephone call was returned,

he told the President that Philadelphia U.S. Attorney David Marston had to be replaced by some Democrat, any Democrat. We do not know whether he invoked the names of any of his Pennsylvania colleagues in his request. November 4 was the day that Carter postponed his trip abroad to work on passage of his energy bill.

With congressional massaging in his mind, the President put on a call on Nov. 7 or 8 to his attorney general, who was reached in his car after shopping in Washington. Judge Bell went back to the store, called the President from the manager's office and got the question: Why the delay in firing Republican Marston?

By Ken Ishii

From Tokyo:

Most Japanese are ousted
from their jobs at 55...

TOKYO—Pressure from labor unions, and the aging of Japan's labor force in the aftermath of the postwar baby boom, have prompted both government and management to take a fresh look at the nation's outmoded employment practices.

Specifically, the latest thrust is directed at the traditional retirement age of 55. At a period of life when workers in the industrialized West still have years of active contribution to their jobs remaining, their Japanese counterparts are turned out to pasture, whether they like it or not.

While the Japanese custom of lifetime employment would seem to assure workers permanent security, the fact is most are ousted from their jobs at 55 with a retirement allowance insufficient to cover the remainder of their lives, even with the addition of government pension payments.

Retirement pay for a blue-collar worker with 30 years service, for example, averages from 8 to 10 million yen (\$33,057 to \$41,322). In the larger enterprises, the more fortunate are allowed to stay on a few extra years by being transferred to lower jobs at subsidies with drastically reduced pay. For the rest, the outlook is bleak. The only ones to whom a fixed retirement age does not apply are company directors.

Barrier Crumbling

Now, under growing pressure from labor unions and, perhaps more significantly, in recognition of the fact that lower birth and mortality rates now make older age groups account for a larger segment of society than before, the 55-year-old barrier at last shows signs of crumbling.

In many of Japan's giant corporations, management has been conducting talks with company labor unions on extending the retirement age, and a few breakthroughs have already been made.

An important recent development was an announcement by Eiichi Nakamura, director-general of the Administrative Management Agency, that he will seek legislation, perhaps by 1979, for a uniform retirement age of 60 for public workers. This would provide a yardstick which local governments would be expected to follow, and would also accelerate similar moves in business and industry.

However, the legislation would not make retirement at 60 mandatory. Rather, public workers would be "encouraged" to retire at 60 by suspending certain allowances and salary increases after that age.

In another area, pressure for reform has been manifested in calls for a shorter work week. The Central Labor Standards

Council, an advisory body to the labor minister, declared in a report this month that shorter working hours must be enforced as soon as possible not only to maintain optimum employment demand and give workers more free time, but to stem foreign criticism over long working hours in Japan's export industries.

42-Hour Week

The average Japanese work week now is 42 hours, and 70 percent of the nation's workers work five days. But among firms employing up to 100 workers, almost half still maintain a 48-hour week, while in many large firms—including banks—employees get two days off every other week.

But if demand for later retirement covers the whole spectrum of Japanese opinion, views on a five-day work week at least for banks are far from unanimous—which perhaps says something for the traditional industriousness of the Japanese. At a meeting last month of the Finance Ministry's Financial System Research Committee, comprising representatives of big and small business, labor, and consumer groups, the vote was overwhelmingly against closing banks on Saturdays on grounds that it would inconvenience too many people.

A third area of recent activity has been in labor-management relations. Prime Minister Fukuda has promised to give "serious consideration" to a proposal by Yoshiji Miyata, head of the Japanese Steelworkers' Federation, for the formation of a top-level consultative body of government, labor and management representatives to advise on how the economy should be run in the new era of low economic growth.

A similar suggestion was made earlier this year by the government-backed Japan Productivity Center. The Center proposed a national committee of labor and management leaders somewhat along the lines of West Germany's labor-management audit council.

The principal foundation on which Japanese labor-management relations rests is, of course, the lifetime employment concept. However, Japanese workers do not have the same degree of loyalty to company that existed a generation ago. Today, they are less concerned with what their company can do for them. Whereas voluntary overtime used to be a virtue, anyone lingering at his job after hours is likely to be suspected of inefficiency. Loyalty remains, but while it was once unquestioning, it is now tempered by self-interest.

chief Ben Civiletti, of the "problem." But here the chain breaks: Civiletti has had an attack of forgetfulness, and cannot recall being informed—since Baker has just been appointed U.S. attorney in Baltimore thanks to Civiletti's close political ties with Maryland Sen. Paul Sarbanes, we can expect Baker to claim next he whispered the news to Civiletti in a noisy subway.

Paris Fashion—
A Different
Pants Suit
Comes Back

By Eugenia Sheppard

PARIS, Jan. 23.—The suit, gone romantic, is the big story in the new spring collections of made-to-order fashions that opened today. It has tailored shoulders but short jackets, full skirts and often crepe blouses with make-believe ties.

It is worn with all kinds of frivolous accessories, such as spike-heeled, open shoes, curly hair, hats, fancy stockings, canes and umbrellas.

Dior showed his suits with streamered caps copied from the Czar's Navy, Jean-Louis Scherrer chose Charlie Chaplin bowlers, and Pierre Cardin's hats were enormous bows turned back from the face or tilted dangerously to one side.

The peasant girl with the kerchief, the shawl and the dirndl have finally been laid to rest, thank goodness. The mood is lively and pretty with no more earthy colors, but a rash of white, pale pastels or else sheer black. Soft hairdos everywhere are decorated with flowers or bandanas and stockings are embroidered; just to let you know how feminine everything looks.

At Dior's afternoon performance, a crowd that included Sophia Loren, Princess Maria Gabriella and her sister Maria Pia as well as many Paris socialites watched a collection that was not only new looking but spectacularly pretty.

It opened with a genuine pants suit, but what a difference. The pants are cut slimmer and stop shorter to show a few inches of

Historical Items
To Be Auctioned

MONTE CARLO, Jan. 23.—Napoleon's nightcap is among several items of antique historical interest to be sold at auction Feb. 5-6 in Monaco, Sotheby's auction house announced.

Sotheby's said the nightcap was worn by the French emperor on the British ship Northumberland while he was being carried to exile on the island of Elba in 1814.

Napoleon reportedly presented the nightcap to William Pyle, one of his guards, and the nightcap is being sold by Pyle's great-great-grandson, Sotheby's said.

Other items in the sale include: Louis XVI commode described by Sotheby's as "an important chintz commode by Adam Scheller, made for the Comte de Provence for the Château de Chambéon," and a Louis XVI secretary.



Dior's black gabardine, left, and Scherrer's Charlie Chaplin.



Sipe Press.

nylons and two-tone, white-and-black, high-heeled shoes. The soft, short jacket is open to show a crepe blouse with a miniature black bow tie.

All through the collection, Marc Bohan offers his customers a choice of pants and skirts. For evening, the pants are wrapped around the legs, harem style, and it looks as if European women who have taken less readily to evening pajamas than Americans are going to accept them this time.

As an alternate to his soft-heated tailored suits, Marc Bohan shows belted coats over blouses and skirts. The suit look and the suit mood linger on even when he moves into crepe dresses that often have little jackets over their soft tops and skirts made fuller by bands of tucking above the hem.

For evening, the Dior collection switches from short pants that show sheer nylons embroidered in black dots to sheer dresses embroidered in white petit point on black or palest pink with rosebud embroidered stockings.

Dior shows many short evening dresses, and certainly none of them reach the floor, a length that Paris has definitely declared fuddy-duddy. Many of them in printed crepe, have strapless elasticized tops and swirling mid-calf-length skirts. Hand-embroidered white nets start short in front and dip to above ankle-length behind.

Glazed chintz, an old favorite in home furnishing, is new to Paris fashions. Marc Bohan has used it for quaint dresses with big skirts held out by lace-edged petticoats.

There is far more individuality than usual in the evening clothes. Doll dresses of eyelet cotton embroidered in color have jackets with short puffed sleeves over their empire-waisted tops, and jeweled neckbands go with them. One of

the fewer chiffons than usual is printed with a puma's head across the front. Slim lace skirts have sequin halter tops. A sheer white dress is laced with crystals and wrapped in a huge crystal-embroidered shawl, and a sequin jacket is wrapped around the waist above white satin pants.

Pierre Cardin's collection is more like ready-to-wear than couture, both in its fabrics and its workmanship. There are lots of cottons with wrapped waistlines, and Cardin fans will find many of their favorite Cardin looks, such as the knee-length bloomers, peeping out from under tunic tops, and sequin-shaped tops as well as captain-like dresses. Like all Cardin's collections, it is a kind of trifleque with hints of countries where Cardin's many interests take him.

This season, whether Japanese or Greek-inspired, there is a hat for every costume, whether it's a big-brimmed type or a little cone of rough straw.

Cardin's suits have the longest jackets with the broadest shoulders and slimpest skirts of any of the Paris collections so far.

For evening he likes full lace tops over big white lace skirts and printed chiffons with the skirts cut in uneven points. Though André Oliver took a bow with his partner, he has spent a great deal of time in New York masterminding his men's shop, and his touch was missed in the party clothes.

The big news about Cardin is his partnership with Maxim's, which has resulted in one of the most exciting shops in town. Its current windows show a couple dining at a table set with replicas of Maxim's own china and silver, and a display upstairs portrays the same couple in bed with a breakfast tray.

On the whole, it was a good day with nobody dozing off during the collections.

Even the few chiffons than usual is printed with a puma's head across the front. Slim lace skirts have sequin halter tops. A sheer white dress is laced with crystals and wrapped in a huge crystal-embroidered shawl, and a sequin jacket is wrapped around the waist above white satin pants.

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A Harsh Reaction to a Harsher World

By John Walker

LONDON, Jan. 23 (UPI).—Edward Bond is one of the few modern playwrights who can, or, I suppose, wants to, write successful didactic plays. For all its latter-day respectability, the theater is uneasy with overtly improving works. The message a playhouse prefers to provide is usually a parrotory "enjoy, enjoy." And, although people may themselves enjoy preaching, few like being preached at, particularly by a work of art.

Even those plays that most would agree are uplifting and convey a sense of rightness, aesthetic or moral (if the two can be distinguished), are so in a generalized way. The cathartic effect which the best tragedy is said to provide is, after all, that it is good to be alive, rather than that it's time we began living a different kind of life, which is what Bond wants. Apart from Brecht, he is almost the only dramatist who tries to teach specific lessons.

Bond's "The Bundle," premiered at the Royal Shakespeare Company's Warehouse Theatre, is an austere Brechtian parable, a history lesson in which capitalist society is not merely analyzed or explained but judged and found wanting. The message seems to be not only that society needs changing, but that it should be changed now, through merciless revolution.

That is to simplify what is a complex argument and also, for the most part, an engrossing drama. In this, "The Bundle" resembles Brecht's "Die Massenheine," in which Communist party members trying to foment revolution in China debate the rightness of their killing one of their members whose kindheartedness continually frustrates their plans.

Enemies of the People

He alleviates the suffering of the peasants and so delays any chance of their revolt against their oppressors. In the same way, Wang, the revolutionary hero of Bond's play, which is also set in China, insists that do-gooders are enemies of the people, obstructions to the creation of a just and equitable society.

Three characters in the play face the same moral dilemma: what to do with a baby found abandoned by a riverside. This was also the starting point of Bond's "Marrow Road to the Deep North," written 10 years ago, in which the child was rescued and grew up to be a tyrant.

In this new version of "The Marrow Road," Boshio, a great poet, setting out on a journey to find enlightenment, leaves the child to its fate. He is an intellectual, who, however daring and perfect his verse, is happy with



Mike Gwynn and Meg Davies in "The Bundle."

THEATER IN LONDON

a society that allows him to indulge his art.

The child is adopted by a poor ferrymen, although he knows that his act will condemn them all to greater poverty and his wife to hardship and death. The child is Wang, who arms the peasants and overthrows the landowner, who, by letting the river flood every year, kept the peasants in abject dependence.

As Wang sets out on his revolutionary mission, he finds a woman abandoning a baby by the river, a child that might be his brother. He drowns the baby in the river, believing that pity has no place in a society based on exploitation. As he points out to his adoptive father, the ferrymen's action did not prevent other babies being abandoned and it sentenced his starving wife to slow death.

This harsh reaction to a harsher world is reinforced by a happy ending, as the villagers succeed in their revolution, at least on a local level, and begin to work together, changing the structure of their lives by their own combined efforts. But that slaughter is a necessary prelude to this alteration, a bleak doctrine, though argued with a fierce logic and conveyed in compelling dramatic terms.

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endure injustice than wade through blood, I drew comfort from the paradox that Wang's success depended in the first instance on his survival—and that was due to the kind of pity that he rejects as worthless sentimentality.

Howard Davies's direction matches the puritanical rigor of the play, sympathetic to its moments of humor and to its objective qualities. The acting too, is perfectly timed, particularly in the central performances of Mike Gwynn as Wang, Patrick Stewart as the adoptive father and Bob Peck as the ferrymen.

J. B. Priestley's "An Inspector

Called," at the Shaw Theatre, is also didactic, a metaphysical thriller in which a mysterious stranger implicates an outwardly respectable upper-middle-class family in the suicide of a young working-class girl. Its lesson has to do with social responsibility, the abuse of power and the need for sympathy and tolerance.

Just as this is cunningly contained within the confines of a conventional well-made play, so Priestley's message is one of adjustment rather than radical change.

It is a welcome revival, though I would prefer to see staged some of Priestley's works dealing with the nature of time rather than the safer suburban dramas such as this and the recent "Laburnum Grove."

James Roose-Evans's production is a little heavy on irony, punctuating the action with the triumphant sound of "Land of Hope and Glory," but that is a fault of the play, too, with its references to progress and the imminent sailing of the unsinkable Titanic. These acting is adequate, though worse than in its last London production at the Mermaid, and there is not a great deal of interaction, no sense of community, between the members of the family.

But there is a great pleasure provided by the construction of the play, in watching the pompous and self-righteous getting their come-uppance. And if that is not a particularly noble feeling, it probably accounts for more revolutions than the desire to spread social equality.

Canadian Film Chosen

AVORIAZ, France, Jan. 23 (AP).—The Grand Prix of the annual Festival of Fantasy Films was awarded here to the Canadian film "Full Circle," directed by Richard Longraine and starring Mia Farrow. The film deals with schizophrenia and reincarnation.



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Trade, Payments Gaps Are Record in Japan

TOKYO, Jan. 23 (AP-DJ)—Japan's overall balance of payments in December reached a huge surplus of \$1.88 billion, the second highest ever, following a surplus of \$1.87 billion in November, the Ministry of Finance said in a preliminary report today.

In December, Japan also posted record dollar-based trade and current-account surpluses, with exports at a record high \$5.45 billion, up 18 per cent from a year earlier and imports at a record \$5.77 billion, up 5 per cent.

The trade surplus for all of 1977 year also was a record, standing at \$17.522 billion com-

EEC Imposes Duties on Steel Imports

BRUSSELS, Jan. 23 (AP-DJ)—The Common Market has decided to impose immediate anti-dumping duties on six steel products imported from seven countries, a spokesman for the European Commission announced today. It is the first time that the EEC has imposed such duties on steel.

They include galvanized sheets imported from Spain and Poland, hot rolled sheets other than electrical of 3 millimeters or more from Bulgaria, Japan and Czechoslovakia; hemite pig iron and cast iron containing less than 0.1 per cent manganese from Canada; cold rolled sheets other than electrical, less than 3 mm from Czechoslovakia and South Korea and wire rods from Czechoslovakia.

The spokesman said the anti-dumping duties had been approved after it was learned that the prices of the products were below the minimum set by the Commission last month. Minimum import prices are based on those of the most competitive Common Market producer.

The action was prompted by complaints from EEC steel industries, by evidence that dumping sales had been made and by the demand of at least one member state, the spokesman explained. It was understood the request for action came from Britain and France.

Furthermore, the Commission has opened investigations on reported dumping sales on the same products imported from a greater number of countries.

The anti-dumping duties will be imposed as soon as the decision is published in the official gazette, most likely tomorrow.

The spokesman said the level of duty will be decided for each import contract. The duties being provisional, they will be blocked in banks pending confirmation by the Commission.

The spokesman said that as an example imports of galvanized sheets had jumped from 62,000 tons in 1974 to 224,000 tons, or 8 per cent of the market, in 1977. Imports from Poland and Spain had jumped from 13,000 to 38,000 tons, or 23 per cent of the market, during the same period.

Imports of hot rolled sheets jumped to 903,000 tons, or 20 per cent of the market, in the first six months of 1977 from 134 million tons in the whole of 1974. Imports from Bulgaria, Czechoslovakia and Japan jumped from 184,000 to 358,000 tons, or 8 per cent of the market, during the same period.

Imports of other steel items rose by similar large amounts.

Top Nations at GATT Talks To Push for World Trade Pact

GENEVA, Jan. 23 (AP-DJ)—The final phase of talks to liberalize world trade began today with a forceful display of resolve by major industrial nations to produce by July an agreement that would set rules for the 1980s and pave the way for ever increasing trade.

At a meeting arranged by the General Agreement on Tariffs and Trade, the Geneva-based organization that regulates world trade, statements by leaders from the United States, the European Economic Community and Japan underscored the conviction of governments now that liberalization of trade, not protectionism, would help resolve problems besetting the world's economies.

Ninety-seven nations which together account for about 90 per cent of world trade are taking part in the negotiations under the auspices of GATT. The United States, the EEC and Japan together account for more than half of world trade, and the apparent understanding between their leaders to accelerate the trade liberalization talks so as to produce an agreement by mid-year means that the possibility that this schedule may be kept is real.

"If we are to expand our debt situations for the Senate Subcommittee on Taxation and Debt Management, Mr. Bergsten said, "OPEC holdings represent some 3 per cent of U.S. government public debt held by non-U.S. government entities."

Mr. Bergsten warned that if these talks fall the costs to all nations would be "incalculable." He said: "Our markets would close, unemployment would become endemic, and governments would fall."

Wilhelm Haferkamp, the EEC Commission's vice-president in

Reviewing the outlook for the world economy in 1978, Mr. Bergsten said a number of developing countries and less developed countries have put their financial houses in order and are "poised for faster growth than has been possible the last few years."

He said the OPEC surplus and the resulting offsetting oil imports deficit will be smaller than last year and the aggregate deficit needed to offset the OPEC surplus will be distributed more evenly.

Mr. Bergsten also said that the international debt management should be more stable this year.

He noted that U.S. bank lending abroad slowed in the first nine months of 1977, growing at an annual rate of 10 per cent compared with 24 per cent for 1976. He said losses on foreign loans have been small and they have in fact been better than domestic.

Mr. Poullain, 58, resigned from the bank on Dec. 23 over a consultancy fee he received from a financier now awaiting trial on charges of embezzlement and fraudulent bankruptcy.

The board decided last Tuesday to summarily dismiss Mr. Poullain "for gross violation of his duties."

Mr. Voelling was previously the bank's deputy chairman.

Bank Appoints Poullain's Deputy

DUESSELDORF, Jan. 23 (Reuter)—Westdeutsche Landesbank today named Johannes Voelling, 55, to succeed the dismissed Ludwig Poullain as board chairman.

Mr. Poullain, 58, resigned from the bank on Dec. 23 over a consultancy fee he received from a financier now awaiting trial on charges of embezzlement and fraudulent bankruptcy.

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After a Series of Mishaps

Blumenthal Is Finding His Stride

By Clyde H. Farnsworth

WASHINGTON, Jan. 23 (NYT)—Cool, intellectual, urbane, reserved, almost diffident in his public demeanor, Michael Blumenthal, after a record and sharply above the November surplus of \$1.134 billion and a year-earlier surplus of \$1.118 billion. The previous record was set in July last year at \$1.54 billion.

The December trade surplus was \$2.68 billion, a record but also below some expectations. The previous record surplus was set in July last year at \$2.048 billion. In November trade was in surplus by \$1.615 billion and in December, 1976, by \$1.872 billion.

On a year basis, December trade was in surplus by a record \$47.4 billion, up 18 per cent from a year earlier and imports at a record \$5.77 billion, up 5 per cent.

The trade surplus for all of 1977 year also was a record, standing at \$17.522 billion com-

pared with a surplus of \$9.87 billion in 1976.

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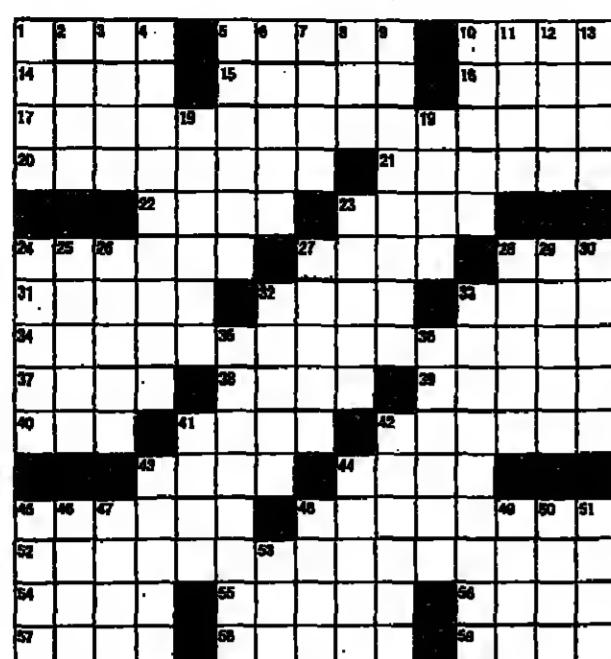
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CROSSWORD — By Eugene T. Maleska



ACROSS

- Neither fem. nor neut.
- Cooking direction
- He envisons all our tomorrowz
- Site of Koko Head
- Musical passage performed by all
- Where Timbuktu is
- Wall St. items
- Up from the ranks on one's own
- "Hail___, blithe Spirit!"
- Escalation features
- Buzzard's cousin
- Benefits
- Spectator count
- Like steak tartare
- Size prefix
- Jeanne-
- First-rate
- Wall St. businesses
- Neighbor of Burns
- Deadlocked
- Practical

DOWN

- Implements for "seven maidz"
- Alpine stream
- Cartoonist Silverstein
- Sleeve accessories
- Parts of a slip
- Morsels for Muffet
- 7 Ft to—
- Inc. in Canada
- Cootie
- 10 "When 'Omer— is 'bloomin' lyre": Kipling
- 11 Apleice
- 40 Windup
- 41 Sponsorship
- 42 Pit remover
- 43 Baguio
- 44 Color guard's holding
- 45 Marcus Hanna, McKinley adviser
- 46 Prototype
- 47 Wall St. concern
- 48 Nation: Prefix
- 49 Lively, in Little Miss Muscat's country
- 50 Minuscule
- 51 Kind of beam
- 52 Spanish painter
- 53 Helicopter's kin
- 54 Like some schools
- 55 Blackout period
- 56 Singer Stuard
- 57 Wood fragment
- 58 Fun with Bowler's unit
- 59 Parts of a slip
- 60 Morsels for Muffet
- 61 Author Wister
- 62 Medical suffix
- 63 Appellation
- 64 Seaweed product
- 65 Mardi Gras follower
- 66 Queen of Spain: 1900-30
- 12 Sommer
- 13 Become airborne
- 14 One of the Dionnes
- 15 Kind of bag or board
- 16 Actress Valentine Stroll
- 17 Monitor lizard
- 18 "___ Age," book by Alex Comfort
- 19 Plum varieties
- 20 Fiddler's aid
- 21 Anoint, old style
- 22 Haminel's river
- 23 Michelangelo masterpiece
- 24 Hanna, McKinley adviser
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